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RUEHAR/AMEMBASSY ACCRA 3020  
RUEHDS/AMEMBASSY ADDIS ABABA 3135  
RUEHRL/AMEMBASSY BERLIN 1564  
RUEHBY/AMEMBASSY CANBERRA 2398  
RUEHDK/AMEMBASSY DAKAR 2767  
RUEHKM/AMEMBASSY KAMPALA 3183  
RUEHNR/AMEMBASSY NAIROBI 5628  
RUEHGV/USMISSION GENEVA 2311  
RUEAIIA/CIA WASHDC  
RUEATRS/DEPT OF TREASURY WASHDC  
RHEFDIA/DIA WASHDC  
RHMFISS/EUCOM POLAD VAIHINGEN GE  
RUZEJAA/JAC MOLESWORTH RAF MOLESWORTH UK  
RHEHAAA/NSC WASHDC

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AF/S FOR B. WALCH  
ADDIS ABABA FOR USAU  
ADDIS ABABA FOR ACSS  
NSC FOR SENIOR AFRICA DIRECTOR  
STATE PASS TO USAID FOR L.DOBBS AND J. HARMON  
COMMERCE FOR ROBERT TELCHIN

SIPDIS

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SUBJECT: ZIM NOTES 09-11-2009

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[1](#)1. SUMMARY  
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Topics of the week:

- SADC Summit...
- New Strategy Against White Farmers?
- Senior EU Delegation to Visit...
- MP Jonathan Moyo Re-joins ZANU-PF...
- Activist Killed for a Song...
- MFA Apologizes, and The Herald Prints Embassy Letter...
- University of Zimbabwe Re-opens...
- ZANU-PF Harasses MDC Supporters in UMP...
- Violence Continues in Chiadzwa...
- More Spin on SDRs...
- Investment Road-show Moves to London...
- Zimbabwe Slips on the World Bank's Doing Business Rankings...
- Retail Giant in Discussion with Potential Partner...

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On the Political and Social Front  
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[1](#)2. SADC Summit... The SADC Summit of Heads of State and Government which ended this week in Kinshasa produced a communique which, with reference to Zimbabwe, "noted the progress made in the implementation of the Global Political Agreement and called on the international community to remove all forms of sanctions against Zimbabwe." The MDC unsuccessfully sought a subsequent special SADC summit on Zimbabwe in light of the short shrift the Kinshasa Summit afforded to Zimbabwe. Global Political Agreement issues will next be considered by the SADC organ on politics, defense, and security of which Mozambique, Angola, and South Africa are members. No date has been set for a meeting of the organ.

[1](#)3. New Strategy Against White Farmers? Embattled white farmer Mike Campbell, whose house was burned to the ground two weeks ago, continues to face trouble from the government. On Thursday security

forces claimed that they found two explosive items, reportedly weapons caches, in the remains of his house. They then held two controlled explosions to destroy them. The Campbells have not been charged with any crimes, and police refuse to investigate the fire. Separately, last week a farmer reported police were trying to charge him with shooting at settlers. Police presented empty shells as evidence, but the farmer got off because the shells didn't fit any of his guns. These two incidents may be part of a new strategy to lock up resistant farmers.

¶4. Senior EU Delegation to Visit... The most senior EU delegation since 2002 will visit Zimbabwe September 12 and 13. The delegation will be comprised of Swedish International Development Co-operation Minister Gunilla Carlsson, EU Aid Commissioner Karel De Gucht and a representative of the council secretariat. A Ministry of Media, Information, and Publicity official commented with the usual ZANU-PF party line, declaring "the starting point would obviously be that the EU has to admit that sanctions are wrong and that land reform in Zimbabwe is irreversible. That admission, and that admission alone, is the only true proof that they recognize us as a sovereign nation that lost tens of thousands of citizens to create a democracy after decades of racist minority rule." Qdecades of racist minority rule."

¶5. MP Jonathan Moyo Re-joins ZANU-PF... The controversial independent MP Jonathan Moyo has petitioned to re-join the ZANU-PF party. ZANU-PF officials told the press that Moyo will have to re-enter ZANU-PF at "cell level" and rise through the ranks like everyone else. Moyo, who called ZANU-PF a "dead duck on the shelf" in 2007, has recently re-directed his long, vicious tirades against the MDC. Moyo is well-known for his service as Mugabe's Minister of

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Information from 2000 until 2005 when he was expelled from the party for attempting to re-arrange the ZANU-PF succession, enraging Mugabe.

¶6. Activist Killed for a Song... On August 30 MDC activist Godknows Mtshakazi, was beaten to death by four soldiers at Mufiri Business Centre in Shurugwi, Midlands Province for playing an MDC song in a bar. Mtshakazi and several other MDC activists were having a drink and a listening to the radio when a soldier accused the group of organizing an MDC rally, which the group denied. The soldier singled out Mtshakazi as the leader of the group and beat him to death after dragging him to a nearby army base. Afterwards the soldiers sent word to Mtshakazi's wife to go and collect her husband. Immediately after the incident, the soldier who instigated the fight was arrested in Bulawayo; it is not yet clear if he will face charges.

¶7. MFA Apologizes, and The Herald Prints Embassy Letter... After The Herald reported on September 4 that Codel Meeks only met with President Mugabe as an "afterthought" on September 3, we sent a letter to The Herald clarifying that the delegation had sought a meeting with Mugabe weeks before the visit. To our pleasant surprise, the Ministry of Foreign Affairs sent us an "urgent" dip note that day, explaining that the story in The Herald was not the government's view of events. On September 5, The Herald printed our letter. This is the closest thing we've seen to an apology from the MFA in recent memory, and The Herald has rarely printed our critical letters.

¶8. University of Zimbabwe Re-opens... The University of Zimbabwe finally re-opened on September 8 for the second semester, after closing for 10 months. The lack of water and financial problems forced the closure of the university in November 2008. The Zimbabwe National Students Union (ZINASU) staged a demonstration and petitioned the Minister of Higher and Tertiary Education to review what they called unaffordable tuition fees. Surprisingly, police on bicycles escorted the peaceful protestors.

¶9. ZANU-PF Harasses MDC Supporters in UMP... ZANU-PF has stepped up a campaign of harassment against MDC supporters in Uzumba Maramba Pfungwe (UMP) in Mashonaland Central Province. The MDC says ZANU-PF is using war veterans, soldiers and traditional leaders to demand that MDC supporters denounce their party membership and surrender

all party materials and regalia by October. As a result, several MDC supporters have been forced to become ZANU-PF members.

¶10. Violence Continues in Chiadzwa... Soldiers killed an illegal digger after imposing an arbitrary curfew on residents in the area on September 4. The police who took him to the hospital claimed he had attempted to disarm a soldier, but privately conceded he had been beaten to death by soldiers when he violated the curfew. The Mutare-based 3rd brigade of the army will soon move to the area to replace the 5th brigade. Our contacts report that the changeover may contribute to increased smuggling because the 3rd brigade has more knowledge of the area and contact with the illegal diamond dealers in Mutare and across the border in Mozambique. The Herald published a scathing article this week, claiming that the NGO Human Rights Watch, which has publicly decried human rights abuses in the Chiadzwa diamond fields, is nothing more than a tool of the U.S. government for illegal regime change in Zimbabwe.

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On the Economic and Business Front  
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¶11. More Spin on SDRs... The September 8 edition of The Herald extended its misinformation campaign on Zimbabwe's "windfall" from the IMF. (On September 4, a lead article in the newspaper quoted RBZ Governor Gono as stating that Zimbabwe had received US\$500

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million from the IMF.) Under the headline, "IMF loan: Second tranche released," the ZANU-PF rag reported that "dust raised by internal wrangles" between Finance Minister Biti and Gono had "sent bad signals to the global lender." The Herald also said, "Investigations have revealed that the US\$408 million received at the end of last month has remained untouched in the RBZ account." The paper quoted Gono's adviser, Munyaradzi Kereke, saying, "We continue to await directives from Government on how to deploy it." Elsewhere in the press, reporting on this story has been on target. The Sunday Standard, for example, accurately reported on September 6 that Biti did not intend to borrow from Zimbabwe's new SDR allocation.

¶12. Investment Road-show Moves to London... Following a successful investment conference for 40 international fund managers in Zimbabwe in June, the financial services group Imara and co-hosts Fleming Family and Partners will take their road-show to London on September 24. According to Imara, economics is going ahead of politics, with investors seeking to exploit the first mover advantage. In a press statement, Imara said Finance Minister Biti and executives from five leading Zimbabwean companies will address the London conference. Imara says dollarization makes Zimbabwe a good deal for investors because it eliminates exchange-rate risk. The many Zimbabweans who keep their foreign currency accounts outside the banking system seem to take a different view.

¶13. Zimbabwe Slips on the World Bank's Doing Business Rankings... Zimbabwe is now ranked 159 out of 183 countries surveyed in the World Bank's Doing Business Report for 2010, well below South Africa and Botswana, which are ranked 34 and 45, respectively. Reflecting the poor business environment, a senior cartographer in the Ministry of Mines and Mining Development told us that applications for prospecting licenses submitted in 2007 have not yet been processed. Such delays help to explain why Zimbabwe has not attracted foreign investment in recent years.

¶14. Retail Giant in Discussion with Potential Partner... A local retail giant, OK Zimbabwe Limited, has held a number of discussions with South African retailers, including Shoprite, to find a potential technical and equity partner. The chief executive officer of OK told us that the discussions are still at a preliminary stage, but the eventual shareholding structure will be guided by the current rules of a maximum of 35 percent foreign ownership in retail.

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## Quotes of the Week

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¶15. "Politicians are the ones that would have let the nation down. I won't feel bad. I am not a politician. The nation would have been let down, but not by me." - Attorney General Johannes Tomana, deflecting potential blame if the government collapses. September 7, 2009

¶16. "The rule of law has failed in Zimbabwe as there are some  
Q16. "The rule of law has failed in Zimbabwe as there are some people in government and ZANU-PF who continue to disregard the law. MDC members continue to be arrested on trumped-up charges, assaulted or even murdered... Perpetrators of political violence cannot go unpunished. As long as there is no rule of law there is no justice, which means there will be no investment in Zimbabwe as there is no investor security." -- MDC-T Senator and businessman Matson Hlalo, speaking to residents of his constituency of Emakhandeni-Entumbane.

PETTERSON